

REAL ESTATE COMMISSION
Professional & Vocational Licensing Division
Department of Regulatory Agencies
State of Hawaii

MINUTES OF MEETING

Date: Thursday, April 27, 1972

Place: Penthouse, Department of Planning & Economic Development
1010 Richards Street, Honolulu, Hawaii

Present: Douglas R. Sodetani, Chairman
Herbert S. Isonaga, Vice Chairman
Mrs. Mary Savio, Member
John D. Texeira, Member
Hiromu Yamanaka, Member
William H. C. Young, Member
Louis Cannelora, Member

Sidney K. Ayabe, Deputy Attorney General
Dick H. Okaji, Licensing Administrator
Michael D. Machado, Acting Executive Secretary
Mrs. Henrietta Egami, Supervisor, Licensing Branch
Mrs. Lydia Pai, Supervisor, Examination Branch
Mrs. Gladys Leong, Licensing Clerk
Miss Peggy Goo, Stenographer

Dr. Edward Laitila, College of Business Administration, U.H.
David M. Tara, Tara School of Real Estate
Albert V. Vincent, Tropic Shores Realty, Ltd.
David Bartholomew, Hawaii Academy of Real Estate
Milton Lau, Finance Investment Company
Alvin Lee, Finance Investment Company
Ralph A. Schrader, Multi-Family Housing Council
Jas. P. D. Thropp, Lea Thropp, Ltd.
Larry L. Bortles, Hawaiiana Realty & Management
Wesley Park, Director of Small Business Management, College
of Business Administration, U.H.
Mrs. Iris Riber, Real Estate Association of Hawaii

Absent: Yukio Higuchi, Executive Secretary

Call to Order: There being a quorum, Chairman Sodetani called the meeting to order
at 10:30 a.m.

Minutes: William Young moved, and Herbert Isonaga seconded to approve the
minutes of the March 23, 1972 meeting as circulated. Motion was
unanimously carried.

Case of
Daniel Wilson: Before the regular meeting, the Commission held a hearing to
determine whether Daniel E. Wilson should be granted a real estate
salesman license.

Richard L. Rost, attorney for Daniel Wilson, presented his case and two witnesses (Howard Hiu, principal broker of American Real Estate and Wilson's future employer, and Bruce Pfeiffer, Wilson's former employer) to attest to Wilson's moral character. Discussion followed together with a question and answer period.

Based on the statements of the two witnesses who attested to Wilson's good moral character and the fact that he was convicted of a misdemeanor rather than a felony, Herbert Isonaga moved and William Young seconded that the Commission should rescind its January 27, 1972 decision and issue a real estate salesman license to Daniel Wilson putting the principal broker, Howard Hiu, on notice that he is held responsible for Wilson's actions as a real estate salesman. Motion was carried unanimously.

Committee
Reports:

Educational Task Force Committee

Committee Chairman William Young reported that the Educational Task Force Committee held a meeting on Tuesday, April 25, 1972 to discuss the question of "legal notice". Dr. Laitila spoke on various aspects of the planned educational implementation program. Sidney Ayabe, Deputy Attorney General, suggested that the rules and regulations should spell out the program.

Resident-Manager Study Committee

A letter was read by Larry Bortles which had been formulated by people in the industry. A number of possible solutions to the resident managers licensing problem were presented and discussed.

Statements on the problem were also made by Milton Lau, Alvin Lee and Ralph Schrader, and a letter from Wendell Brooks of the Hawaii Association of Real Estate Boards was circulated regarding formulation of a special study committee.

Bortles subsequently requested more time to study the problem based on the recently passed landlord-tenants code and added that the industry people were finally ready to grapple with the problem on a full-time basis now that the legislative session has ended. The Commission consented to the request because it could now view from Bortles' letter that work on the problem is now unified and guidelines for possible solutions have been set.

Mary Savio and Louis Cannelora have been appointed by the Chairman to sit on this committee.

Attorney General's Report

(a) A.G. Directive on Residence Requirement

Sidney Ayabe, Deputy Attorney General, announced to the Commission that the one-year residence requirement is unenforceable and unconstitutional as ruled by the the Attorney General's Office.

John Texeira moved and Mary Savio seconded that we accept this ruling and maintain it in the Commission's proceedings. This motion was carried without dissent.

Business Out
of Minutes:

Rules and Regulations Amendments

The rules and regulations amendments will be effective as law ten days after the filing with the Lt. Governor's Office.

University of Hawaii Characteristics Study

The Commission acknowledged receipt of the two copies of the characteristics study from the University of Hawaii. The Acting Executive Secretary and Dr. Laitila are both holding a copy of this study.

Letter from Gwen Bundy - Re: Month to Month Accounting

Following the reading of this complaint letter from Gwen Bundy to the Commission which covered month to month statements of account, Herbert Isonaga moved and John Texeira seconded that this letter be directed to the Association of Apartment Owners involved, as the Real Estate Commission has no jurisdiction over this matter.

Letter from Connie Solarana - Re: Teachers Requirements

Chairman Sodetani read and referred this letter to the Educational Task Force Committee.

Letter from D.O.E. - Re: Lack of Communication

Chairman Sodetani directed this letter from D.O.E. to William Young, Chairman of the Educational Task Force Committee.

Letter of Tropic Shores, Ltd. - Re: Broker-Employee Form

Hiromu Yamanaka reported that many people agree with Albert Vincent's request to delete the notary requirement from the Commission's Broker-Employee Form.

It was determined during the discussion that the Broker-Employee Form is an affidavit and, therefore, the notary requirement cannot be deleted from this form as all affidavits must be notarized.

Chairman Sodetani called on Hiromu Yamanaka to draft a letter to advise Albert Vincent that there will be no change to the Broker-Employee Form, and the Acting Executive Secretary will have it finalized and forwarded to Albert Vincent.

Investigations: Re-398 Mrs. Edmund (Wattie Mae) Hedemann

The Executive Secretary has set up a formal hearing on this case on May 3, 1972 at 9:00 a.m., in the Kona District Court House located in Captian Cook, Kona, Hawaii.

Minutes of Meeting of April 27, 1972

RE-467 Acadia Management Corp., Ltd.

Since the study on resident-managers has not been completed, action was again deferred to the next meeting.

RE-466 Jacques Van Belle (Supplementary Report)

Upon motion, it was decided by the Commission to have Menefee and Van Belle come in for an informal hearing on the morning of the next meeting, May 25, 1972, to discuss this case further.

RE-474 Manoa Realty and Ralph Yagi

No violation or any deliberate attempt to mislead the complainant was found. Yagi's failure to show fee on DROA was an oversight; retention of deposit check for four months was due to the complicated nature of the problem.

(At this time Chairman Sodehani excused himself and turned the Chair over to Vice Chairman Isonaga.)

(During further discussion, Chairman Sodehani returned to the meeting and resumed the Chair.)

Herbert Isonaga moved and Mary Savio seconded to dismiss this case and that Ralph Yagi be commended for his actions to expedite the closing. This motion was so carried.

Herbert Isonaga moved and Hiromu Yamanaka seconded to defer Investigation Reports RE-465, RE-477, RE-475, RE-471 and RE-479 to the next meeting due to the fact that the Complaint Review Committee failed to meet before this meeting. This motion was carried.

New Business: Licensing

Corporations:

Waimanalo Plantation, Inc. - 1856 Kalakaua, Suite 1, Honolulu
Dolores C. Koki PB
Sotero Realty, Inc. - 94-903 Farrington Hwy, Room 2, Waipahu
Margaretta C. Sotero PB
Honolulu Properties, Inc. - 700 Bishop Street, Suite 999, Honolulu
Carlos R. Read PB

Branch Offices:

Brilhante & Associates, Inc. BR-1 - Room 4 Old Post Office Bldg.,
Harold J. Boyd BIC Kailua
Great Hawaiian Realty, Inc. BR-5 - Suite 1912 Financial Plaza of
Luke H. Yasaka BIC the Pacific, Honolulu

DBA'S:

Jim Anderson Realty - 1650 Liliha Street, Honolulu
James T. F. Anderson dba

DBA'S (Cont.)

Hawaiian National Realty Company - 1610 Kalani Street, Room 1,
 Troy B. Baker dba Honolulu
 Anderson Real Estate - 43 Oneawa Street, Suite 203-C, Kailua
 Margaret T. Anderson dba
 Daisy L. Chun, Realtor - 1441 Kapiolani, Suite 1306, Honolulu
 Daisy L. Chun dba
 Evans Realty - 46-018 Kam Highway, Room 207, Kaneohe
 Evans H. M. Yim dba
 Tom Schmidt Realtors - 1777 Ala Moana #1843, Honolulu
 Thomas F. Schmidt dba
 Hawaiikai Homes, Realtors - 7120 Kalaniana'ole Hwy, Honolulu
 Eugene Hamilton dba

Upon motion, the Commission approved the licensing processing of the above as tentatively approved by the Licensing Administrator.

Chairman Sodeani appointed the Acting Executive Secretary to see that David Bartholomew is not serving as principal broker for more than one business; that Hawaii-Kai Homes has a proper principal broker and that Ahupuaa Land Company is situated in a location acceptable to the Maui Planning Department.

1972
 Legislation:

S.B. No. 1060, HDI - Relating to Real Estate Brokers and Salesmen

This Bill was passed by the 1972 Legislation and awaiting the Governor's signature.

S.B. No. 1193 - Relating to Horizontal Property Regimes

This Bill was passed by the 1972 Legislation and awaiting the Governor's signature.

Sidney Ayabe reported that there was no legal objections from the Attorney General's Office on this Bill; this is just a tax benefit to the owner/developer.

Correspondence:

Narello Western District Meeting ---- June 15 - 17, 1972

The Real Estate Commission has received word from the Idaho Real Estate Commission that the agenda for this meeting will be available about May 1, 1972.

Hiromu Yamanaka will not be able to attend this meeting in Sun Valley, therefore, Mary Savio, being the first alternate appointed by the Chairman, will attend this meeting together with the Executive Secretary.

The money for this meeting will come from the recovery fund.

Mike McCormack, Realtors - Re: Seminar

This letter was just read to the Commission members by Chairman Sodeani.

Kauai Chapter - Real Estate Appraisers - Re: GRI Appraisers Course

This letter was just read to the Commission. There were no comments.

Center for California Public Affairs - Questionnaire

Chairman Sodetani requested that the Acting Executive Secretary look into this matter.

Special
Discussions:

Educational Testing Procedures

Herbert Isonaga maintained that there are 2 basic problems -- procedural and administrative.

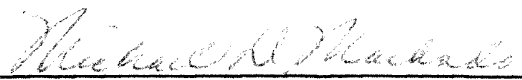
After extensive discussion with Lydia Pai, Henrietta Egami, Gladys Leong and the Commission members on whether ETS should conduct the whole examination or whether the present practice should be kept, Herbert Isonaga moved and William Young seconded that the Commission recommends that ETS take over the real estate examinations completely, including monitoring and finding facilities. Motion was unanimously carried.

Announcements: None

Next Meeting

Date: Thursday, May 25, 1972 at 9:30 a.m.

Adjournment: There being no further business, Chairman Sodetani adjourned the meeting at 3:50 p.m.


MICHAEL D. MACHADO
Acting Executive Secretary

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5/8/72